FY 2006 Transition Action Plan

Overview

This document contains:

- ➢ The purpose of the 2006 Transition Action Plan
- ➢ Transition Action Goals:
  - Goal I: Complete the Service Area Office restructuring and realignment
  - Goal II: Facilitate management of change through activities that address culture and behavioral issues arising from the transition
  - Goal III: Reengineer work processes to support the shared services model
- ➢ A summary of what is required to complete the Action Plan

Purpose

The 2006 Transition Action Plan describes the activities that support the three-pronged approach we will employ this fiscal year to facilitate the continued transition of the ATO in one of the largest internal restructuring efforts ever undertaken by a federal agency. The goal is to increase the value of Area Office services by centralizing the leadership, simplifying the structure, and reducing duplicate administrative and staff support services in the service areas. Concurrently we will continue to address the management of change while this transition is taking place. Gains in efficiency and productivity will also be realized through process reengineering. This year's restructuring activities move the ATO closer to becoming a performance based organization through improved business practices and a cultural shift in operational norms. This plan also describes how these goals work together to complement one another and provide a comprehensive approach to the difficult and often chaotic process of organizational transformation.

Goal I. Implement Service Area Realignment

The line service unit's nine geographical service areas will be restructured into three Air Traffic Organization (ATO) Service Areas – Western, Central and Eastern – each with a Service Area Office (SAO) and a Service Center from which administrative and staff support services are provided. Directors of Operations for Enroute, Terminal, Technical Operations and Tactical Operations (System Operations) and the Service Center Managers (SCMs) will be located at each Service Area Office.   The three Flight Services Areas will be restructured into two new Flight Services Information areas and aligned under Systems Operations.

The Service Center will be an integral component of the service area restructuring. The administrative and staff support services that previously resided in the nine legacy regions will be consolidated into three Service Centers co-located with Directors of Operations. The Service Center will be comprised of six shared service groups that provide a broad array of services required to support the ATO. The six groups are:

- Administrative Services
- Planning & Requirements
- Systems Support
- Safety Assurance
- Business Services
- Engineering Services*

* Engineering services reports to the Directors of Technical Operations.

Collectively, the Service Centers will offer a way to increase the value of administrative and staff support services through a consolidation of redundant functions currently performed by ATO line service units. The functions will be consolidated into shared services groups that will reduce overhead and increase efficiency.   The model will contribute to achieving the ATO goals of planned fiscal management and improved service delivery. The SAOs will continue the service continuity interface between headquarters and field facilities. The consolidation is expected to improve communication between the field offices and headquarters and save the agency tens of millions of dollars.

Goal I. Implement Service Area Realignment

Interim Transition Goals and Objectives	Required Activities	Start Date	Target Completion Date	Status July 2006
I. Complete outstanding tasks to accomplish the restructuring into three Service Areas including the establishment of a fully functional SAO	I.A. Obtain Agency and Department approval for ATO restructure	10/1/05	10/30/05	Completed
	I.B. Announce ATO Service Area restructure/realignment plan	12/5/05	12/9/05	Completed
	I.C. Brief unions and begin negotiations	12/5/05	9/29/06	Ongoing
	I.C.a. NATCA briefing; Impact & Implementation negotiations	2/9/06	8/21/06	Ongoing
	I.C.b. PASS briefing; Impact & Implementation negotiations	2/7/06	8/21/06	Ongoing
	I.D. Relocate Directors of Operations to service area offices	3/21/06	4/20/06	Completed
	I.E. Establish Service Center leadership	1/13/06	10/31/06	Ongoing
	I.E.a. Service Center Managers and Group Managers	1/13/06	5/2/06	Completed
	I.E.b. Supervisors	6/26/06		Ongoing
	I.F. Notify employees who occupy positions scheduled to be relocated	3/31/06	3/31/06	Completed
	I.G. Brief affected employees on benefits and PCS rules; provide restructure update	4/4/06	4/21/06	Completed
	I.H. Reassign employees to new service centers	6/26/06	6/26/06	Completed
	I.I. Employee strategies to mitigate restructure impact:			
	I.I.a. One-year notice briefed	12/6/05	12/6/05	Completed
	I.I.b. Voluntary Early Retirement offered (3)	11/18/05	1/6/06	Completed
		1/31/06	2/24/06	Completed
		3/20/06	5/5/06	Completed
	I.I.c. Establish Department and Agency vacancies to be opened to impacted employees	05/1/06	9/30/06	Completed
	I.I.d. Establish HRMD assistance to impacted employees	6/1/06	9/30/06	Completed
	I.J. Implement new Service Area Office structure	6/26/06	6/26/06	Completed
	I.K. Begin relocating service area employees to Service Area Offices	6/26/06	12/30/06	Ongoing

Goal II. Facilitate Management of Change

Organizational dialogue is vital to the success of the transition. The change management strategy is to start at the top with a commitment by ATO leaders and create organizational dialogue by cascading information from senior management through the organization to employees at the service delivery points. Fundamental to this undertaking is establishing a method with which to measure the effectiveness of the change management strategies and the progress that has been made in increasing leadership communication and change management competencies at all levels. It is also important to identify specific areas where improvement is needed. To this end, the ATO has partnered with University of Maryland (UM), Howard School of Business. UM is conducting annual employee surveys. The surveys are analyzed from both statistical and cultural perspectives. These findings help identify employee concerns from which palliative measures can be developed to address the impact of the transition initiatives.

One integral component of the communication effort is the *Leading Change in the ATO* seminars. This is the third year of a five-year plan to inform frontline supervisors and managers about the "why and what" of the ATO transition and to educate managers and supervisors about the impact of change on their employees. Attendees will be briefed on the FY06 Business Outlook, which explains the rationale behind the need to reorganize, and participate in a discussion of the role culture plays in organizational change. Participants will be given an abbreviated presentation to use in cascading the information down to their employees.

Goal II. Facilitate Management of Change

Interim Transition Goals and Objectives	Required Activities	Start Date	Target Completion Date	Status July 2006
II. Conduct change management activities that address culture and behavioral issues arising from the transition	II.A. Conduct second University of Maryland survey of headquarters supervisors/employees to measure impact of change and compare against baseline survey	12/5/05	12/15/05	Completed
	II.A.a. Analyze results	1/3/06	1/27/06	Completed
	II.A.b. Review results with VPs	2/1/06	3/1/06	Completed
	II.A.c. Identify areas of concern and take corrective action	9/1/06	2/28/07	
	II.B. Conduct second University of Maryland survey of field supervisors and employees to measure perceptions and attitudes around the restructure	5/22/06	6/15/06	Completed
	II.B.a. Analyze results	6/16/06	7/15/06	In process
	II.B.b. Review results with VPs	8/1/06	8/30/06	
	II.B.c. Identify areas of concern and take corrective action.			
	II.C. Develop and deliver ATO Leading Change seminars for front line managers	2/7/06	11/30/06	Ongoing
	II.C.a. Deliver Leading Change Seminars for headquarters and front line managers.	10/4/06	10/5/06	
	II.C.b. Measure effectiveness with follow-up surveys and from the information received, take appropriate corrective action.	2/7/06	1/5/07	Ongoing
	II.D. Initiate Executive Council assessment and individual coaching program to support individual ability to lead through transition	5/1/06	12/29/06	In process
	II.E. Launch individual coaching program for EC direct reports to establish skill base for leading behavioral change	6/7/06	8/4/06	In process
	II.F. Leadership Skills for Change course for Service Center Managers	3/1/06	9/29/06	Ongoing
	II.F.a. Observation/feedback of critical behaviors	6/7/06	9/29/06	Ongoing
	II.F.b. Team building for Service Center Councils facilitated by cultural change expert	7/5/06	9/29/06	Ongoing
	II.G. Management Best Practices course for Directors of Operations and Service Center Managers to develop the team concept	5/15/06	5/19/06	Completed
	II.G.a. Design two follow-up sessions	10/11/06	12/13/06	
	II.H. Design Leading Change in the ATO, Part II for delivery in FY07	11/7/06	12/29/07	

Goal III. Reengineer Work Processes

The Service Center Model combines and co-locates staff support functions in a single, integrated support office in each Service Area. Directors from Enroute, Terminal, System Operations and Technical Operations will receive staff support, detailed in Operating Agreements, through six functional groups – System Support, Safety Assurance, Planning and Requirements, Administrative Services, Business Services and Engineering Services. The goal is to develop processes and service-level standards that can be easily understood, assessed, managed and sustained.

Interim Transition Goals and Objectives	Required Activities	Start Date	Target Completion Date	Status July 2006
III. Reengineer work processes to enhance efficiency, productivity and consistency	III.A. Develop organizational strategies for Service Center Concept Implementation and Process Reengineering efforts	10/15/05	2/10/06	Complete
	III.B. Assemble core teams of SMEs to **collect information** on current business operations and existing governance forums in the following areas: • Administrative Services • System Support • Safety Assurance • Planning & Requirements • Business Services	10/15/05	5/31/06	Complete
	III.C. Conduct baseline assessment of current and projected workload, key skills requirements, performance requirements and current management information tools; create cost model to assess current cost of service delivery 1. Administrative Services 2. System Support 3. Safety Assurance 4. Planning & Requirements 5. Business Services	11/7/05 for 1-3 3/15/05 for 4-5	2/28/06 for 1-3 9/30/06 for 4-5	Complete In Process for 4-5
	III.D. Develop Final design of standard business processes and performance measurement methodologies 1. Administrative Services 2. System Support 3. Safety Assurance 4. Planning & Requirements 5. Business Services	02/28/06 for 1-3 7/17/06 for 4-5	04/30/06 9/30/06 for 4-5	Complete In Process

Goal III. Reengineer Work Processes (continued)

Interim Transition Goals and Objectives	Required Activities	Start Date	Target Completion Date	Status July 2006

III. (Continued) Reengineer work processes to enhance efficiency, productivity and consistency	III.E. Develop Draft Operating Agreements and Key Skills/Staffing Requirements for
	  1. Administrative Services
	  2. System Support
	  3. Safety Assurance
		3/15/06	5/31/06	Complete

	III.F. Identify modifications for existing information tools and requirements for new tools
	  1. Administrative Services
	  2. System Support
	  3. Safety Assurance
		5/15/06	9/30/06	In-Process

	III.G. Develop Process Training Plan to include train-the-trainer, Operating Agreements, Service Center Model	6/1/06	8/15/06	Complete

Aligning ATO Culture with New ATO Systems and Processes

There is a synergy between systems/processes and culture/behavior that must be realized for ATO to transition from an entitlement culture and reach the goal of becoming a performance based organization (PBO). The FAA has a history of reorganizing its structure and sometimes the processes, only to have these attempts lose momentum when the behavior of the workforce remains constant despite the outward systemic changes.

Leadership and the open sharing of information at every level of the ATO is critical to the success of the transition effort. An environment must be created that encourages open dialogue and accountability. Our charge is to educate, model, reinforce and reward behavior that supports the new operating norms. Without buy-in from middle and frontline managers, there is a risk of old attitudes prevailing in the new ATO structure. By openly sharing information with their employees, middle and frontline managers play a vital role in shifting our workforce culture from a stovepipe-based mentality to one of cross-organizational integration. The cornerstones of the change management effort are transformational leadership and open information exchange. Change initiatives for all levels of the organization will be developed that support efforts to move ATO towards a performance based culture. These initiatives will work in conjunction with process reengineering.

How will progress be measured? The Transition Team partnered with the University of Maryland, Howard Smith School of Business, in 2004 to develop a baseline employee survey that tracks employee and supervisor perceptions and attitudes around the ATO transition. Follow-up surveys will be conducted each year to assess progress and ensure our strategies for managing the transition to a PBO are effective.

We will also conduct interim evaluations of the Leading Change in the ATO seminar participants to assess if changes in workplace behavior are occurring as a result of the sessions.

Summary

This year the Transition Team has taken on the substantial task of physically restructuring the ATO into three Service Areas with Service Area Offices. This one sentence captures more than a yearlong effort by dedicated teams of ATO employees to effect this transformation, with all its variables, so that a viable future as a performance based organization is realized. The agency has never attempted the shared services concept. Along with the physical relocation and reformatting of the ATO structure, processes need to be redesigned to reflect and support the new ATO configuration. Changes of this magnitude that challenge business norms in place for decades, reverberate through the workforce at all levels and contribute to anxiety and resistance. To ensure success, a policy of inclusion and open communication must be practiced at all levels as the transition to a PBO continues. It is incumbent upon every manager to create an environment that encourages dialogue and employee participation and, in doing so, put in place an organization that meets the critical needs of the aviation community.